

## Division of Oil and Gas

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## **MEMORANDUM 2011-1**

To: All Indiana Oil and Gas Operators

From: Herschel McDivitt, Director, Division of Oil and Gas

Date: February 3, 2011

Subject: Reminder Regarding Use of Diesel Fuel in Hydraulic Fracturing Fluids

The purpose of this memorandum is to remind all Indiana oil and gas operators that the use of diesel fuel as a component of hydrofracturing fluids is not permitted unless the operator has received authorization from the Division of Oil and Gas for such use of diesel fuel under an approved Class II permit.

In 2005, Congress passed the Energy Policy Act which contained, among other things, provisions addressing the application of the Safe Drinking Water Act (SDWA) to hydraulic fracturing operations. For purposes of the Underground Injection Control (UIC) program, Congress modified the definition of "underground injection" to exclude "the underground injection of fluids or propping agents (other than diesel fuels) pursuant to hydraulic fracturing operations related to oil, gas, or geothermal production activities" <sup>1</sup>

In response to these amendments to the SDWA, the Environmental Protection Agency (EPA) provides the following guidance on its website:

"While the 2005 modifications to the SDWA specifically exclude hydraulic fracturing from UIC regulation under SDWA § 1421 (d)(1), **the use of diesel fuel during hydraulic fracturing is still regulated by the UIC program** (emphasis added). Any service company that performs hydraulic fracturing using diesel fuel must receive prior authorization from the UIC program. Injection wells receiving diesel fuel as a hydraulic fracturing additive will be considered Class II wells by the UIC program." <sup>2</sup>

It is strongly recommended that operators considering the use of diesel fuel in hydrofracturing operations contact the Division of Oil and Gas well in advance of the proposed activity to discuss the applicable permit requirements. This will minimize lengthy disruptions to your scheduled operations and allow sufficient time for the Division to review and process your application. The time required to process these permits is expected to be the same as for Class II permits for enhanced recovery or fluid disposal purposes.

In summary, a Class II permit is required only for hydraulic fracturing operations that utilize diesel fuel as a component of the hydraulic fracturing fluid. A Class II permit is not required for the conduct of hydrofracturing operations that do not use diesel fuel as a component of hydrofracturing fluids.

Please direct any questions regarding this document to Mona Nemecek, Manager of Technical Services at <a href="mailto:mnemecek@dnr.in.gov">mnemecek@dnr.in.gov</a> or by phone at (317) 232-0045.

Herschel R. Medinth

<sup>1 - 42</sup> U.S.C. § 300h(d)

<sup>&</sup>lt;sup>2</sup> - http://water.epa.gov/t<u>ype/groundwater/uic/class2/hydraulicfracturing/wells\_hydroreg.cfm#safehyfr</u>